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War's Challenge to Employment Managers

By JOSEPH H. WILLITS

THE last ten years have witnessed a phenomenal growth in interest on the part of employers in ideas of personnel and the problems connected with personnel work. The war stressed these problems as they never before had been stressed. The assembling and organizing of an army, the development of large munitions plants, the shutting off of the stream of immigrants—these factors alone caused a sudden shifting of workers to new centers; absorbed the surplus labor; and resulted in the barest industrial period America has known since the Civil War, if not before.

Under such conditions, arguments were not needed to direct attention to questions of personnel. That firm which ignored its employes, or which did not appreciate its employes and express that appreciation in concrete substantial ways, simply did not secure the men with which to carry on the work. In most cases it has been the establishment of or the expansion in size and responsibility of the "Employment Department," which has measured the new interest on the part of the plant managers, since it is this department which first and most naturally comes into personal relations with the workers.

The approach of peace has altered somewhat the nature of industry's personnel problems; but it has not diminished the importance in the slightest. Few informed persons will agree with the president of a large shipbuilding company, who, upon the signing of the armistice, declared that there was no longer any serious labor problem as there would soon be two men for every job. Many persons will appreciate the grasp on the real state of affairs shown by a man who is in charge of all manufacturing for a chain of twenty-five plants. He told one of his superintendents that his twenty-five years' experience had indicated to him that the greatest danger to a manufacturer lay in his experience. In other words, he who forms conclusions solely from his own experience has a mind that dwells chiefly in the past; and such a mind has not

the present facts nor farsighted judgments ready enough at his command to meet the new changing difficulties of today.

The chief difficulty with which personnel managers will have to deal after the war arises from the psychological effects of war. Patriotic considerations no longer submerge the individual interest. Individual welfare is again dominant, with aims stronger than pre-war desires partly due to economic changes and partly a reaction to war suppression. This individual objective in industry leads to an even more important element to be considered between employer and employe. The war has stirred up a consciousness on the part of both classes of the different aspects of their relationships. The theoretic status of each may have been very little altered, but the intensity of the beliefs of each class has been deepened.

At one extreme we have the Bourbon employer who holds that the events of war have justified his previous beliefs as to the essential depravity and unreliability of American workmen. He sees evidences that wages have risen rapidly and that output per man has decreased. He assumes that any attempt to improve wages or working conditions will always result in reduced output, and should be frowned upon. He is familiar with a few cases of shiftlessness from which he draws general conclusions. And Russia! Russia is his answer to all arguments. It proves the straits to which we will be subjected if we do not rule with a firm hand untempered by a regard for social theories.

At the other extreme, but really similar in mental attitude, are what may be called the Bourbons of labor. They have become easily acclimated to the destructive nature of war. They believe this gives greater opportunities to the masses and they would keep this element as a tool. Theirs is a demagogic short cut to salvation. This destructive philosophy runs close to the obstructive philosophy of the Bourbon employers.

Fortunately, these noisy groups do not include all employers or all employes. Hope lies in the liberal constructive element in each party. Among employes, this attitude is represented by most of the affiliates of the American Federation of Labor and by the majority of unorganized American workmen. These men recognize that the war has been fought to establish political democracy; and they perceive clearly the logical implications for

industry. But this group needs (or seeks) practical means for coöperation. It recognizes that large production is desirable and that democracy should be obtained without sacrificing efficiency of administration. We have not yet succeeded in combining political efficiency and political democracy, and to this end constructive, coöperative methods of control must be sought.

The corresponding group of liberal employers may, broadly, be said to include those who have sincerely endeavored to give careful, scientific attention to the subject of employment management.

The great majority of American employers and workers and citizens are neither consciously Bourbon nor Liberal. In this fact lies the responsibility and opportunity of the liberals of both classes. If the liberals are able, sound in social theories, sufficiently on their job, they can win this unattached majority to the liberal constructive course. If they do not make progress fast enough, the consequences of an obstructive destructive régime in this country will be upon their shoulders.

In connection with this responsibility, employment managers will be called upon to deal with certain specific situations. Within the next twelve months will be the demobilization and reëmployment of nearly four million soldiers. No great West remains open to absorb them, as it did the soldiers of the Civil War. There will be the shifting in employment of perhaps twice as many munitions workers. It is no great reflection against the United States Employment Service to say that it will not be able to handle the task. But if all the employment departments in the country which are laying off people would constitute themselves temporarily into branches of the government service, unemployment and its hardships would be considerably lessened.

But this is simply one of the post-war problems of employment management. For instance, I do not know of any time when it has been more essential to retain personal relations. No plant should say that it is too big for its employment department to maintain personal contacts; for it is vitally important in view of the problems ahead that this contact between liberals should be held. There is the unquestioned fact to face that the individual output of many workers has been lessened by psychological causes during the war.

It is idle to attempt to catalog post-war personnel problems.

It may be taken for granted that with the impetus personnel interest has assumed in industry, most of these questions will be faced as a routine part of good competitive business by most enlightened concerns.

The real challenge of the reconstructive period is the extent to which employers can appreciate and act upon the logical industrial implications of the war. The war has taught that excessive authority cannot safely be left in the hands of any one group. In industry, it is not enough to say that ultimately bad owners and managers who hold their position through inheritance or undeserved influence will be crowded to the wall; and that only the real leaders with positions based on service rendered will remain. The process takes too long. In the absence of fair inheritance taxes and without a radical change in human nature, such unresponsive managements will persist. Therefore, the problem of enlightened personnel management now is to utilize forms and devices and safeguards of coöperation and control which will insure democracy, and at the same time not interfere with the necessities of competitive industries. Wages, the status of the worker, continuity of employment, working conditions, and social life of the workers, and the disposition of "surplus profits" are the subjects in which the worker has a legitimate interest in the working out of which he must have a share. To the extent to which liberal management successfully combines with liberal employees in arriving at mutually satisfactory forms for the carrying out of the above purposes, to just that extent will the neutral body of opinion be drawn to the liberal and constructive program—away from the destruction and obstruction program.